

ASSEMBLY BILL

No. 2672

Introduced by Assembly Member Perea

February 21, 2014

An act to add Section 783.5 to the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 2672, as introduced, Perea. Gas: extension of service: disadvantaged communities.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical and gas corporations, as defined. Existing law authorizes the commission to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable. Existing law requires the commission to establish various programs that provide assistance to low-income electric and gas customers.

This bill would require the commission to develop a program, through an existing or new proceeding, to enable disadvantaged communities in the San Joaquin Valley to finance the cost of extending natural gas service within those communities. The bill would impose specified requirements on a gas corporation that provides natural gas service in the San Joaquin Valley in connection with the program. The bill would require the commission to identify potential sources of funds that may be allocated to the program to reduce the cost to disadvantaged communities of extending gas service under the program.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares the following:

(a) Many low-income communities throughout California lack access to natural gas lines.

(b) Increasing access to natural gas can improve the health, safety, and financial security of these communities.

(c) Increasing access to natural gas has the potential of improving energy affordability and air quality.

SEC. 2. Section 783.5 is added to the Public Utilities Code, to read:

783.5. (a) The commission shall develop a program, through an existing or new proceeding, to enable disadvantaged communities in the San Joaquin Valley to finance the cost of extending natural gas service within those communities.

(b) The commission shall require a gas corporation that provides natural gas service in the San Joaquin Valley to do the following:

(1) Identify disadvantaged communities in the San Joaquin Valley that do not have gas service.

(2) Assess the cost of extending gas lines to disadvantaged communities.

(3) Work with disadvantaged communities and local agencies that desire gas service to develop and implement a financing plan to provide gas service to those disadvantaged communities.

(c) The commission shall identify potential sources of funds available for the program, including funds from ratepayers within each disadvantaged community desiring gas service, funds generated from the surcharge imposed on natural gas pursuant to Section 890, or any other sources of funds that may be allocated to the program to reduce the cost to disadvantaged communities of extending gas service under the program.